The People's Korea

No. 682 EVERY WEDNESDAY, APRIL 3, 1974 (1961年8月22日第3種郵便物認可)

President KIM IL SUNG's Just National Reunification Line Demonstrated Once Again

APR 16 1974
NYPL

DPRK Proposes Bilateral Talks to USA on Peace Treaty

3rd Session of 5th Supreme People's Assembly Successfully Closed

The Third Session of the Fifth Supreme People's Assembly that opened at the Mansudae Assembly Hall on Mar. 20 in the presence of the respected and beloved leader Comrade Kim Il Sung closed on Mar. 25 after successfully discussing the items placed on the agenda.

The closing meeting adopted with unanimous approval of the deputies present a decision on approving the results of the fulfilment of the state budget of the Democratic People's Republic of Korea for 1973 and the law on the state budget of the Democratic People's Republic of Korea for 1974.

The meeting earnestly discussed the third item on the agenda "On the Creation of Prerequisites for the Removal of Tension in Korea and Promotion of the Country's Independent and Peaceful Reunification."

Deputy Ho Dam, vice-Premier of the Administration Council and Minister of Foreign Affairs, delivered a report on the third item on the agenda. (See page 2)

A new proposal of the Government of the Republic was put forward in the report for our direct negotiations with the United States for concluding a peace agreement so as to create prerequisites for the removal of the state of military confrontation between the north and the south and easing of the tension in Korea and achievement of the independent and peaceful reunification of the country.

The following points were set forward in the report to be included in the peace agreement between the Democratic People's Republic of Korea and the United States: Both sides shall pledge themselves to each other not to invade the other side and shall remove all the danger of direct armed conflict; the United States shall be obliged not to instigate the south Korean authorities to the war provocation manoeuvres and fascist repression of the south Korean people or patronize them, not to obstruct the north and the south of Korea in reunifying the country independently and peacefully in accordance with the north-south joint statement and not to interfere in any form in the internal affairs of Korea; the two sides shall discontinue arms reinforcement and arms race and stop introducing any weapons, combat equipment and war supplies into Korea; the berets of the "United Nations forces" shall be taken off the foreign troops stationed in south Korea and they all be withdrawn at the earliest possible date along with all their weapons; Korea shall not be made a military base or operational base of any foreign country after the withdrawal of all foreign troops from south Korea.

Speeches were made by Deputy Kim Dong Gyu on behalf of the Central Committee of the Workers' Party of Korea, Deputy Kim Song Ryul on behalf of the Central Committee of the Korean Democratic Party, and Kang Jang Su, Chairman of the Central Committee of the Chondoist Chongu Party, on its behalf, fully supporting and approving the new initiative of the Government of the Republic.

The meeting emphasized that what is most important in creating the basic condition for national reunification at present is to put an end to the interference in the internal affairs of Korea by the United States which is carrying on its war provocation manoeuvres in our country and seeking the permanent split of our nation by instigating the south Korean authorities and a most realistic and reasonable way for this is for us to directly negotiate with the United States for the conclusion of a peace agreement.

The meeting stressed that to sign a peace agreement between us and the United States and replace the Korean Armistice Agreement with it will be a most reasonable and realistic way for creating prerequisites to the removal of the tension in Korea and promotion of the independent and peaceful reunification of Korea at present and this is another clear expression of the active and sincere efforts of our Party and the Government of the Republic for the peaceful reunification of the country and world peace and a most just and reasonable proposal which fully conforms with the will of our people and the world peace-loving people who desire Korea's peaceful reunification. It expressed the hope that the Government of the United States would direct due attention to this and take appropriate measures.

The meeting adopted a letter to the Congress of the United States of America in the name of the Supreme People's Assembly of the Democratic People's Republic of Korea.

Hwang Jang Yop, Chairman of the Supreme People's Assembly, made a closing address at the meeting.

The moment when the session was declared closed, the deputies and all other attendants of the session sent up the loud cheers of "Long live the great leader Comrade Kim Il Sung!"

The whole course of the Third Session of the Fifth Supreme People's Assembly proudly demonstrated to the whole world the might and superiority of our socialist system daily growing in strength and developing under the wise leadership of the great leader of the revolution Comrade Kim Il Sung, testified once again to the correctness and inexhaustible vitality of the economic policy of our Party and the correctness of its line of national reunification and fully displayed the revolutionary stamina of our people to accelerate the complete victory of socialism and the great cause of national reunification without fail under the uplifted banner of the great *Juche* idea.

Earlier, the second day meeting of the Third Session of the Fifth Supreme People's Assembly was held on Mar. 21.

At the meeting a law of the Supreme People's Assembly of the Democratic People's Republic of Korea on complete abolition of taxation in our country as from April 1, 1974, was unanimously adopted with full support and approval of the entire deputies.

The meeting recorded one more undying exploit which will shine forever in the annals of the fatherland by solemnly announcing the first tax-free country in history, which mankind has aspired after only in dreams.

As the adoption of the historic law was announced, a stormy applause burst forth in the hall.

The entire attendants, unable to repress deep emotion and warm feeling of gratefulness welling in their hearts, extended prolonged applause, looking up to the tender-hearted fatherly leader who negotiated a long path of fire and snow to restore the country and save the nation and has struggled forgetful of rest and sleep to give the people happiness and joy, thereby bringing today's glory and happiness to our people.

Before the adoption of the law, speeches were made at the meeting "On the Complete Abolition of Taxation," the first item on the agenda.

The floor was taken by Deputy Chong Jun Gi, vice-Premier of the Administration Council; Deputy Li Ja Son, vice-Director in charge of technical affairs of the Pyongyang No. 1 Hospital; Deputy Kim Sok Hyong, Director of the History Institute under the Academy of Social Sciences; Deputy Hong Si Hak, Chairman of the Kangwon Provincial People's Committee; Deputy Kim Jong Sun, head of a workteam of the Pyongyang Textile Mills; Deputy Han Yong Bo, Chairman of the Chonchon County Administrative Committee, Chagang Province; Deputy Kim Hu Bun, head of a workteam of the Chongdan-*up* Cooperative Farm, Chongdan county, South Hwanghae Province.

The speakers stressed that the great leader led the revolutionary and constructive struggle to victory to create the socio-economic and material conditions for the final materialization of the *Juche*-based taxation programme as well as the ideological and political conditions, the decisive guarantee for its materialization, and, had the historic law announcing our country as a country without taxes adopted today. Thus, they declared, one more example of world-wide significance has been created in our country.

The third day meeting of the Third Session of the Fifth Supreme People's Assembly was held on Mar. 22.

The meeting discussed the second item of the agenda "On the Results of the Fulfilment of the State Budget for 1973 and the State Budget for 1974 of the Democratic People's Republic of Korea."

Deputy Kim Gyong Ryon, Minister of Finance, delivered the report on the second item of the agenda. (See page 3)

Then Deputy O Tae Bong, Chairman of the Budget Committee of the Supreme People's Assembly, reported on the results of the SPA Budget Committee's deliberation on the results of the fulfilment of last year's state budget and this year's state budget.

Speeches were made on the second item of the agenda.

The floor was taken by Deputy Tong Sun Mo, Director of the North Hamgyong Provincial General Bureau of Construction; Deputy Kim Hi Jun, Chairman of the North Pyongan Provincial Administrative Committee; Deputy Ko Yun Suk, Director of the Pyongyang Children's Department Store; Deputy Pak Jong I, head of a pit of the Ryongdong Colliery; Deputy Kim Hak Sun, Chairman of the Taedong County, South Pyongan Province, Cooperative Farm Management Committee; Kim Song Gun, Director of the Sinpo Fishery Office; and Deputy Kim Se Yun, Director of the Sungri General Automobile Plant.

Emotion and excitement reigned the hall when the meeting discussed the world's first socialist state budget composed without tax revenue after the birth of the first tax-free country in human history was solemnly proclaimed by brilliantly materializing the taxation programme of the great leader of the revolution Comrade Kim Il Sung.

The meeting pointed out that last year's state budget was correctly fulfilled in accordance with the militant tasks set forth by the respected and beloved leader Comrade Kim Il Sung in his historic speech at the First Session of the Fifth Supreme People's Assembly and in his New Year address of last year and provided a satisfactory financial guarantee for the fulfilment of last year's tasks of the Six-Year Plan.

The meeting noted that this year's state budget was composed correctly to firmly ensure financially the materialization of the magnificent programme for the grand socialist construction unrolled by the respected and beloved leader Comrade Kim Il Sung at the Eighth Plenary Meeting of the Fifth Central Committee of the Party.

The speakers stressed that the tremendous significance of our state budget lies in that it embodies the fundamental principle of the immortal *Juche* idea that man is the most precious being in the world and everything should be made to serve the people. They wholeheartedly supported and approved this year's state budget fully reflecting the lofty intention and deep love of the fatherly leader who has put all his heart into work for the eternal prosperity of the country and the constant betterment of the people's material and cultural life and extended the highest honour and deepest thanks to him. (KCNA)

Letter to Congress of United States of America

The Third Session of the Fifth Supreme People's Assembly of the Democratic People's Republic of Korea, having discussed the question of creating prerequisites to the removal of tension in Korea and the acceleration of the country's independent and peaceful reunification, sends this letter to both the Senate and the House of Representatives of the United States of America.

All the Korean people and the peace-loving people the world over were greatly stirred up by the bright prospects for the preservation of peace in Korea and the settlement of her reunification problem, when the north-south joint statement was made public in July 1972.

But today, after the lapse of almost two years since then, developments in Korea have been quite the opposite to what the people had expected.

Tension seemed to be relaxed temporarily, but it has been aggravated again. Only military confrontation and war danger have daily been increasing, instead of prospects for peaceful reunification.

The prevailing situation naturally causes apprehensions of the people of the world and urgently demands that we adopt proper measures for meeting the situation.

The Supreme People's Assembly of the Democratic People's Republic of Korea still firmly believes that for the prevention of a war danger and removal of tension in Korea and the promotion of her peaceful reunification, it is necessary, first of all, to eliminate the military confrontation between the north and the south.

In fact, under the condition of huge armed forces standing opposed to each other as it is today, it is impossible to successfully solve any problems, big and small, which are related to the peaceful reunification of Korea.

Ever since the armistice in Korea the Government of the Democratic People's Republic of Korea has put forward time and again various reasonable proposals such as proposals for the reduction of armaments and the conclusion of a peace agreement, as a step for converting the armistice into a durable peace.

Even after the start of the dialogue between the north and the south of Korea, we presented the elimination of the north-south military confrontation as a question to be settled before everything else.

If any of our peaceful proposals had been put into practice, a durable peace would have been ensured in Korea and tension as we see today would have not been aggravated again.

The south Korean authorities, however, have not responded to our proposals for the stoppage of the reinforcement of armed forces and arms drive, the reduction of the armies and armaments, the withdrawal of foreign troops and the conclusion of a peace agreement, but have pushed forward war preparations.

Backed by the United States, the south Korean authorities have only implored the prolonged presence of the U.S. troops in south Korea and deliberately aggravated the relations between the north and the south, incessantly clamouring about the fictitious "threat of southward aggression" in an attempt to oppose the country's reunification and repress the south Korean people.

With a view to cloaking such acts of theirs, recently the south Korean authorities came out with what they call a "non-aggression pact."

But it is well-known to the world that it is not the south Korean authorities but the U.S. commander who holds the prerogative of supreme command of the army in south Korea today. The south Korean authorities who do not have the prerogative of supreme command of the army propose to conclude a "non-aggression pact" while leaving the U.S. troops to stay on in south Korea. This is an empty talk without any guarantee of peace and accordingly, is not worth discussing at all.

It is the United States that has encouraged the south Korean authorities in all their acts to turn down our independent and peace-loving proposals unconditionally. Even after the dialogue started between the north and south of Korea, the United States has increased the military aid and armed support to south Korea, saying that the dialogue should be backed up by the armed forces, and has frequently committed provocations against the northern half of the Republic, staged war exercises and perpetrated espionage acts by sending high-speed, high-altitude reconnaissance planes and thus has intensified tension ceaselessly.

We, therefore, consider that the responsibility for the failure in Korea's reunification and for the current tension and danger of war in Korea rests chiefly with the U.S. government authorities.

It is becoming increasingly evident that as long as the U.S. troops remain in south Korea it is impossible to remove tension and consolidate peace in Korea and that the south Korean authorities have no intention and ability at all to solve this problem.

The reality calls for concluding a peace agreement directly with the United States which stations its troops in south Korea and holds the prerogative of supreme command of all the forces, in order to create prerequisites for removing tension in Korea, eliminating the external factors obstructing Korea's independent and peaceful reunification and for enabling the Korean people to solve the reunification problem independently by themselves.

The Chinese People's Volunteers withdrew from Korea long ago, and not the troops of the "U.N. forces" but the U.S. troops remain there. Under this condition, the Democratic People's Republic of Korea and the United States, the signatories to the Korean Armistice Agreement, are the virtual parties concerned.

At present the armistice agreement itself has become already outdated and does not conform to the reality in many respects. To replace the armistice agreement with a peace agreement brooks no further delay.

The Supreme People's Assembly of the Democratic People's Republic of Korea considers that a peace agreement to be concluded with the United States of America may include the following points:

Firstly, both sides shall pledge themselves to each other not to invade the other side and shall remove all the danger of direct armed conflict; the United States shall be obliged not to instigate the south Korean authorities to the war provocation manoeuvres and fascist repression of the south Korean people or patronize them, not to obstruct the north and the south of Korea in reunifying the country independently and peacefully in accordance with the north-south joint statement and not to interfere in any form in the internal affairs of Korea;

Secondly, the two sides shall discontinue arms reinforcement and arms race and stop introducing any weapons, combat equipment and war supplies into Korea;

Thirdly, the berets of the "United Nations forces" shall be taken off the foreign troops stationed in south Korea and they all be withdrawn at the earliest possible date along with all their weapons;

Fourthly, Korea shall not be made a military base or operational base of any foreign country after the withdrawal of all foreign troops from south Korea.

The Supreme People's Assembly of the Democratic People's Republic of Korea formally proposes that talks be held for the conclusion of a peace agreement between the Democratic People's Republic of Korea and the United States of America, with the above-mentioned points as a premise. The talks may be held at Panmunjom or in a third country by delegates of a higher level than those to the Military Armistice Commission now functioning at Panmunjom.

The relations will be improved between the north and south of Korea and an atmosphere favourable to the independent and peaceful solution of the reunification problem be created, when the question of replacing the armistice agreement with a peace agreement in Korea is settled successfully.

Our new proposal fully accords with the interests of the people of the United States and of world peace as well.

The Supreme People's Assembly of the Democratic People's Republic of Korea expects that the Congress of the United States of America and the U.S. government authorities will direct serious attention to our new peaceful proposal and make an affirmative response to this.

Supreme People's Assembly of Democratic People's Republic of Korea

Fyongyang, Mar. 25, 1974

Chongryun Supports Peace Initiative of DPRK

With regard to the peace proposal of the Democratic People's Republic of Korea to the United States of America at the Third Session of the Fifth Supreme People's Assembly of the DPRK, the Central Standing Committee of the General Association of Korean Residents in Japan (Chongryun) issued a statement on Mar. 26 at the Korean Hall in Tokyo.

Chongryun said in the statement that this proposal would serve as an effective measure for creating favourable conditions for a lasting peace in Korea and for solving the Korean problem independently. And this initiative will also greatly contribute to preserving security and peace in Asia and the world.

Saying that the 600,000 Korean citizens in Japan and our Association enthusiastically support and welcome this proposal as a reasonable and realistic proposal, it continued:

The north-south joint statement published in July, 1972, on the basis of the three principles—independence, peaceful reunification and great national unity—put forth by the respected and beloved leader President Kim Il Sung, enjoys the warm welcome of the Korean people and the people in the world, who regard it as conducive to the removal of tension between north and south, the maintenance of peace in Korea and to the achievement of reunification.

As a result of the interference of the U.S. imperialist aggressors and war preparations by the Pak Jung Hi puppet clique with their backing and their manoeuvres for "two Koreas," new obstacles have been placed in the way of national reunification, bringing dialogues into total bankruptcy.

Sharply criticizing the "non-aggression pact" trumpeted by the Pak Jung Hi puppet clique, Chongryun said that under such conditions where the U.S. imperialists control the weapons, military equipment and other war means, seizing the prerogative of the supreme command of the army in south Korea, it is meaningless and not worth discussing the conclusion of "non-aggression pact," while letting the U.S. troops stay on in south Korea, and it went on:

The U.S. imperialists are the wirepuller of all acts of the Pak Jung Hi clique.

Even after the start of dialogues between the north and the south of Korea, the U.S., on the pretext that "the dialogue should be backed by the armed forces," aggravated tension in Korea, by increasing military "aid" to and weapons introduced into south Korea, committing provocations and staging war exercises and repeating spying missions by high speed, high-altitude reconnaissance planes against the DPRK.

It is becoming increasingly evident that so long as the U.S. troops stay on in south Korea, it is impossible to consolidate peace and realize the independent and peaceful reunification of Korea.

Therefore, the withdrawal of the U.S. imperialists' troops from south Korea is the first precondition for solving all these problems.

The problem of replacing the armistice agreement with a peace agreement should be discussed urgently between the DPRK and the U.S., the parties concerned with the armistice agreement, for the armistice agreement does not conform to the present reality.

We strongly urge the U.S. to accept immediately the DPRK's proposal, in order to remove tension in Korea and accelerate the independent and peaceful reunification of Korea.

We are firmly convinced that the Japanese people and all the progressive people of the world will warmly support the proposal and render active support to the sacred struggle of the Korean people for the consolidation of peace in Korea and for the independent and peaceful reunification of the country.

Seoul Urged to Accept N-S Coordination Body Expansion As Proposed by DPRK

5th Vice-Chairmen's Meet Held

The fifth contact between the vice-Chairmen of the North-South Coordination Commission took place in the portion of our side in Panmunjom at 10 on the morning of March 27 at the proposal of our side, according to a statement of the spokesman of our side to the North-South Coordination Commission.

At the contact Comrade Ryu Jang Sik, vice-Chairman of our side, said: Our side has already put forward repeatedly just and reasonable proposals for the normalization of the work of the north-south dialogue and made sincere efforts for their realization. But the south Korean side, quite contrary to this, has resorted to a delaying tactics, throwing artificial obstacles in the way of the dialogue.

He urged the south Korean side to give up its untenable stand and accept the proposal of our side at an early date.

Recalling that especially at the fourth contact on February 27 our side advanced a new proposal for opening a political consultative conference, while leaving the Co-ordination Commission to operate, the vice-Chairman of our side continued:

The work of the Co-ordination Commission is at a deadlock and its prospect is not optimistic owing to the insincere attitude of the south Korean side. Under this situation it is quite advisable not to waste time having discussion of the question of reunification only between the authorities of the two sides, but to refer it to the whole nation for discussion and hear a wide range of opinion of the people of all strata.

But, at the contact, the south Korean side, keeping aloof from the question of the composition of the Co-ordination Commission that was to be discussed, tried to turn the meeting room into a platform of propaganda slandering our side.

The south Korean side turned down the sincere proposal of our side for the reorganization of the Co-ordination Commission and committed a premeditated and malicious provocation for deliberately breaking off the dialogue with outcries over the "incident in the West Sea," "violent revolution" and "internal system."

Comrade Ryu Jang Sik, vice-Chairman of our side to the Co-ordination Commission, refuted the absurd allegations of the south Korean side with perfect logic and scientific evidences and brought to light the inside of its dastardly plot to lead the talks to a rupture.

(Continued on page 4)

On Creation of Prerequisites for Removal of Tension in Korea And Promotion of Country's Independent, Peaceful Reunification

Report of Ho Dam, Vice-Premier of Administration Council, at 3rd Session of 5th SPA of DPRK

PYONGYANG, Mar. 25 (KCNA)—Deputy Ho Dam, vice-Premier of the Administration Council and Foreign Minister, made the report "On the Creation of Prerequisites for the Removal of Tension in Korea and Promotion of the Country's Independent and Peaceful Reunification" at the fourth day meeting of the Third Session of the Fifth Supreme People's Assembly today.

Follows the full text of the report:

Comrades Deputies,

It is a most urgent national task facing us today to guarantee a durable peace in our country and achieve the reunification of the divided fatherland.

It is nearly 30 years since our fatherland was artificially split and 20 years have passed since the armistice was achieved in Korea.

But our fatherland has not yet been reunified and our people are undergoing too great misfortunes and painful sufferings owing to the prolonged division.

Due to division, our country is barred from unified development, national commonness is fading away by degrees and the misfortunes imposed upon each family of the Koreans divided into the north and the south are increasing day by day.

With the military confrontation between the north and the south dragging on for a long time, mistrust is deepening and strain is growing acute with each passing day between them and a constant danger of war is felt.

If this abnormal state of things created in our country is kept indefinitely, our nation which lived as a homogeneous nation in one territory through a long history will remain split into two forever and south Korea will be reduced to a permanent colony and military base and commodity market of U.S. and Japanese imperialism and the source of war menacing peace in Korea and Asia will remain.

To clear away tension in Korea and expedite peaceful reunification is not only a vital question for the entire Korean people, but also one of the very important questions directly related to peace in Asia and the world. Therefore, when dialogue began between the north and the south of Korea which had been closed to each other for a long time and the north-south joint statement the keynote of which is the three principles of independence, peaceful reunification and great national unity was published thanks to the consistent efforts of our Party and the Government of the Republic, all the peace-loving people of the world, not to speak of the entire Korean people, warmly welcomed this as an epochal event spreading a bright prospect before the peaceful reunification of Korea and contributing to the cause of Asian and world peace and ardently hoped in unison that the north-south dialogue would make progress to bring an early realization of the independent and peaceful reunification of Korea.

Owing to the manoeuvres of the splittists within and without, however, big hurdles are still lying in the way of national reunification and the situation is developing in our country contrary to the desire and expectation of the Korean people and the world people.

The south Korean rulers are obdurately pursuing the policy of reliance upon outside forces and the policy of war and seeking a permanent split of the country in contravention of the principles agreed upon in the north-south joint statement. Due to their perfidious acts the north-south dialogue has been deadlocked and the north-south relations have, in fact, returned to those before the announcement of the north-south joint statement.

As a result, our country is now at the grave juncture—reunification or division, one Korea or two Koreas.

Under this situation the state of military confrontation must be removed and the tension eased between the north and the south, first of all, to smoothly advance the north-south dialogue, improve the north-south relations and accelerate the peaceful reunification of the country. This stands out as a more pressing question.

In this connection I, authorized by the Government of the Democratic People's Republic of Korea, propose to this Third Session of the Fifth Supreme People's Assembly to take relevant measures to create prerequisites for removing the tension in Korea and expediting the independent and peaceful reunification of the country.

Eliminate Military Confrontation And Ease Tension in Korea

Comrades Deputies,

If prerequisites are to be created to remove the tension in Korea and promote the independent and peaceful reunification of the country, it is necessary, above all, to put an end to the United States' interference in the internal affairs of our country, make the U.S. forces withdraw from south Korea, remove the state of military confrontation and ease the tension between the north and the south and turn the unstable Korean armistice into a durable peace.

Only when these prerequisites are fully created can there be a durable peace in Korea and the question of Korea's reunification be solved independently by the efforts of the Koreans themselves without interference of any outside forces.

Ever since the very day the country was bisected our Party and the Government of our Republic, acting upon the basic line of national reunification laid down by the respected and beloved leader Comrade Kim Il Sung, have made every effort for the achievement of the independent and peaceful reunification. Especially, they have striven hard to remove the state of military confrontation and ease the tension—a problem of primary importance in creating favourable conditions for the peaceful reunification of the country.

The respected and beloved leader Comrade Kim Il Sung has said:

"To improve the present relations between the north and south of Korea and accelerate the peaceful reunification of the country, it is necessary, first of all, to eliminate military confrontation and ease tension between the north and south."

Under the present situation created by the confrontation of large armed forces between the north and the south, it is impossible to remove the distrust between them and the constant threat of war or satisfactorily solve any question related to the peaceful reunification of the country.

The situation obtaining between the north and the south must not be maintained any longer and war must not be allowed to break out again. This is the common ardent desire of the entire people in north and south Korea today.

Reflecting the will and desire of the entire Korean people, our Party and the Government of the Republic put forward time and again a series of reasonable proposals to remove the artificially created tension between the north and the south and achieve the country's peaceful reunification. After the ceasefire was realized in Korea they advanced on many occasions concrete proposals to turn it into a durable peace.

In August 1955, the respected and beloved leader Comrade Kim Il Sung proposed that all foreign troops be withdrawn from Korea and, at the same time, the north and south Korean authorities announce to the Korean people and the people of the whole world that they would not use armed forces in any form against the other side but assume the duty to solve the question of the country's reunification only by peaceful means.

At the First Session of the Second Supreme People's Assembly held in September 1957 and many subsequent sessions of the Supreme People's Assembly the Government of the Democratic People's Republic of Korea repeatedly put forward proposals to conclude an agreement on the north and the south refraining from use of armed forces against the other and drastically reduce the armies of north and south Korea on condition that the U.S. troops are withdrawn from south Korea.

At the Fifth Session of the Fourth Supreme People's Assembly in April 1971, the Government of the DPRK put forth the eight-point proposal of national reunification and proposed that the U.S. troops be withdrawn from south Korea and the armed forces of the north and the south be cut to 100,000 men or less respectively, the "ROK-U.S. mutual defence pact," "ROK-Japan treaty" and all other treacherous and shackling treaties which the south Korean "regime" concluded be abrogated.

After the start of the dialogue between the north and the south of Korea we raised it as ever as the first and foremost question to remove the state of military confrontation between the north and the south and made sustained efforts for its solution.

Saying that for the removal of the tension in Korea it is necessary first of all to replace the Korean Armistice Agreement with a peace agreement between the north and the south, the leader newly proposed in January 1972 that a peace agreement be concluded between the north and south and the armed forces of the north and the south of Korea be drastically cut on condition that the U.S. troops are withdrawn from south Korea.

Later, we repeatedly advanced to the south Korean authorities as the first step towards the achievement of the country's peaceful reunification the five-point proposal, that is, the discontinuation of arms reinforcement and arms race, withdrawal of all foreign troops, reduction of armies and armaments, end to the introduction of weapons from foreign countries and conclusion of a peace agreement.

The five-point proposal on removing the present state of military confrontation between the north and the south is a realistic way to lay a practical ground for trust between the two sides of the north and the south, eliminate the possibility of the outbreak of another war and ease the tension in our country.

In his historic speech of June 23, 1973, the leader advanced the five-point programme of national reunification and raised, as its first point, the question of eliminating the military confrontation and easing the tension between the north and the south.

This proposal is the most patriotic one reflecting the national desire not to undergo a fratricidal war and, at the same time, expressing the unanimous aspiration of the Korean people to remove the obstacles lying on the way to reunification and reunify the country in a peaceful way; it is also the most correct one fully conforming to the desire of the peace-loving people of the world.

All these sincere efforts of our Party and the Government of the Republic stem from the peace-loving position to finally remove the danger of war in our country and settle the question of reunification by a peaceful means under all circumstances.

If any of the peaceful initiatives taken by us had been translated into reality, the situation in Korea would not have been screwed up to such a pitch as it is today.

But the south Korean authorities have carried two faces under one hood in the dialogue, resorting to the double-dealing tactics. They turned down from the outset the proposals of the Government of the Republic on removing the state of military confrontation, easing the tension and concluding a peace agreement, saying that it is "premature," now is not the "stage to solve" this problem and the like. They have further stepped up war preparations under the bellicose slogans of "increasing the capacity of retaliation" and "establishing wartime posture."

The south Korean ruling quarters are begging for the indefinite stationing of the U.S. troops in south Korea, speeding up the "modernization" of the puppet army by continuously introducing large quantities of new type weapons and military equipment into south Korea from the United States and Japan; they are conducting large-scale military exercises in the frontline area and in the rear almost every day and ceaselessly perpetrating armed provocations against the northern half of the Republic in the area along the Military Demarcation Line.

We have repeatedly made it clear that we have no intention to solve the reunification question by force of arms. But, they keep clamouring about the fictitious "threat of southward invasion" in an attempt to invent a pretext to intensify the fascist repression of the south Korean people and speed up war preparations.

It is part of such rackets that the south Korean authorities are committing hostile acts against us in a vicious way, bringing forward the "West Sea incident."

Some time ago the south Korean authorities put forward what they call "non-aggression pact." It is one of the tricks to oppose the peace agreement proposed by us; it is nothing but a plot to leave the U.S. imperialist aggressor forces to remain in south Korea, keep the state of military confrontation, perpetuate the division of the country and thus maintain the present military fascist rule.

As is known to the world, it is not the south Korean authorities but the U.S. army commander carrying the signboard of the "U.N. commander" that has directly seized the prerogative of the supreme command of the army in south Korea.

Under the "agreement on transfer of command" and a series of other military agreements concluded between the United States and south Korea, the U.S. army commander is "in charge of command" of the ground, naval and air forces of the south Korean puppet army and has seized in his hands the "right to general operational control" and even the "right to defend Seoul."

To say nothing of control over the weapons, military equipment and other war means, military bases and military establishments, the U.S. army commander has seized all rights to the activation of the south Korean army and its movement and deployment, promotion of officers, the training of rank and file and even the permission of their leave. Indeed no branch and no unit of the south Korean army escape the hand of interference of the U.S. army.

Under such conditions it is ridiculous for the south Korean authorities to propose to us to conclude a "non-aggression pact," while letting the U.S. troops stay on in south Korea. Their proposal is meaningless and not worth discussing at all.

Due to such act of the south Korean authorities, the dialogue between the north and the south has come to the verge of rupture and the situation is moving to division, not reunification, and to war, not peace.

The U.S. imperialists are the wirepuller of all acts of the south Korean authorities who categorically rejected our independent and peace-loving initiatives and are keying up the tension again in Korea.

We, therefore, consider that the U.S. government authorities are chiefly to blame for the tension and the danger of war created in Korea today.

Comrades Deputies,

In his historic speech made at a Pyongyang mass rally on March 4, the great leader Comrade Kim Il Sung, on the basis of a deep analysis of the internal and external situation, clearly indicated again a realistic way to bridge over the present difficulties and promote the cause of the country's peaceful reunification.

The respected and beloved leader Comrade Kim Il Sung has taught:

"Those who love the country and the nation should not tolerate the machinations of the U.S. and Japanese reactionaries to convert south Korea into a permanent colony, but compel the U.S. troops out of south Korea, thwart the Japanese militarists' invasion and actively turn out to build a sovereign, reunified and independent Korea."

The north-south dialogue is of no use at all if our nation is to live divided.

Is there any Korean today who wants the country and nation to be kept divided for ever? The north-south dialogue must be conducted under any circumstances for the purpose of achieving the reunification.

If the south Korean authorities truly want the reunification, they must show it with practical deeds, not by words.

As the south Korean authorities persist in their splitting manoeuvres, we cannot believe that they have turned out with honesty to the road of dialogue for the reunification. Therefore, if the question of the country's reunification is to be solved, it must not be discussed only between the authorities of the north and the south but other ways be sought.

Taking all this situation into consideration, the leader proposed once again to convene a great national congress or a north-south political consultative conference participated in by the representatives of all political parties and public organisations and personages of all strata in the north and the south, apart from the existing North-South Coordination Commission and he declared that we would always actively support the south Korean people's just struggle for the democratization of society and the country's peaceful reunification at any time with might and main.

The March 4 speech of the leader is, indeed, a great banner of struggle instilling infinite confidence and hope into the entire Korean people who aspire after the reunification and a bright beacon lighting the path of the peaceful reunification of the country.

The entire people of north and south Korea are now filled with ever more unshakable determination to overcome all the obstacles and difficulties lying in the way of reunification and accomplish the historic cause of the country's peaceful reunification without fail by waging a vigorous struggle in close unity, upholding the five-point programme of national reunification put forward by the leader and the line of peaceful reunification clarified by him in his March 4 speech.

Propose Peace Agreement with U.S.

The present situation requires an ever more intensified struggle against the splittists to prevent a division of the country and achieve its peaceful reunification.

And today's reality of our country makes it necessary to settle the question of signing a peace agreement directly with the United States in order to create prerequisites for the removal of the tension in Korea and promotion of her independent and peaceful reunification.

Now, the entire Korean people and the peoples of all countries of the world hold in unison that the present state of military confrontation between the north and the south which is fraught with the danger of a new war must be removed at the earliest possible date and tension be cleared away, if peace is to be preserved in our country and its reunification achieved.

The Korean Armistice Agreement signed in July 1953, to all intents and purposes, is an agreement on military armistice. It can not guarantee a durable peace.

Today when a long period has passed since its signing, the armistice agreement itself has already become outdated and it is unsuited to the reality in many respects.

Accordingly, it stands out as a matured requirement that brooks no longer delay today to replace the Korean Armistice Agreement with a peace agreement.

In view of all these conditions, at meetings of the North-South Coordination Commission, we have repeatedly proposed to the south Korean side to sign a peace agreement between the north and the south and put forward concrete proposals for its realization, attaching primary importance to the removal of the present state of military confrontation.

As the south Korean authorities agreed to the three principles of independence, peaceful reunification and great national unity and consented to hold political talks for the independent and peaceful reunification of the country, we expected that they would naturally show sincerity by demanding the withdrawal of the foreign troops from south Korea and choosing to solve the reunification question between Koreans themselves in an independent way.

If the south Korean authorities had been faithful to the principles of the north-south joint statement including the principle of independence, as they firmly pledged themselves to the whole nation, it would have been possible to conclude a peace agreement between the north and the south, rejecting U.S. interference in our internal affairs, and make a signal progress in solving the reunification question between Koreans themselves in a peaceful way.

But, the whole course of the dialogue between the north and the south showed that tension cannot be removed nor can peace be consolidated in Korea as long as the U.S. troops remain in south Korea and that the south Korean authorities have neither intention nor capacity to solve this question.

Irrefutable proof of this is furnished by the fact that today when nearly two years have passed since an agreement was reached between the two sides on settling the domestic issues of the nation independently, south Korea is yet under the control of U.S. imperialism and remains a field of action of Japanese militarism for its reinvasion and the south Korean authorities are more tightly clinging to the policy of dependence on outside forces, far from renouncing it.

Now it is as plain as noonday that however long we may discuss the questions of removing the state of military confrontation and signing a peace agreement with the south Korean authorities, it is meaningless.

Therefore, if the armistice agreement is to be replaced with a peace agreement under the present condition, it is right and proper to settle the question between the parties concerned which hold real power to guarantee it with certainty.

The Democratic People's Republic of Korea and the United States of America are the two signatories to the Korean Armistice Agreement and the actual parties concerned.

The Korean Armistice Agreement was signed at first between the Korean People's Army and the Chinese People's Volunteers on the one hand and the "United Nations forces" on the other, but the Chinese People's Volunteers withdrew from Korea long ago and the so-called "United Nations forces" present in south Korea are, in fact, none other than the U.S. army.

Basing ourselves on all these facts, we consider that, to create prerequisites for the clearance of tension in Korea, the removal of external factors obstructive to the independent reunification of Korea and the independent solution of the reunification question between the Koreans, the question of signing a peace agreement must be solved directly with the United States, the party concerned which has its troops stationed in south Korea, holds the whole supreme command of the armed forces and signed the armistice agreement.

In proposing a peace agreement with the United States, we seek, in the long run, to put an early end to foreign interference in our internal affairs, the root cause of the permanent tension in our country, and open a favourable phase for settling the internal affairs of the nation by the efforts of Koreans themselves, on all accounts.

Today the cause of unstable and strained situation persisting in Korea lies, in fact, in the manoeuvres of interference of U.S. imperialism in our internal affairs.

Even after the announcement of the north-south joint statement and the start of the dialogue between the north and south, the U.S. imperialists are inciting a split, handing over quantities of various modern weapons and military equipment to the south Korean authorities, committing military provocations and staging military exercises against the northern half of the Republic and perpetrating espionage and hostile acts by the "SR-71" high-speed, high-altitude reconnaissance plane in continued, crude violation of the armistice agreement.

It is because of the United States keeping its troops in south Korea indefinitely and patronizing the south Korean fascist regime that the south Korean authorities brutally suppress the people under the pretext of fictitious "threat of southward aggression," brandishing the bayonets supplied by the United States, with its backing.

It is because of the United States ceaselessly supplying the south Korean authorities with arms on the plea of buttressing them in the dialogue that they are blocking the peaceful settlement of the reunification question, vociferating about "a test of strength" with us.

Why does the United States argue that there must be arms behind the dialogue, if it is interested in the maintenance of peace in Korea and her peaceful reunification? This cannot be construed otherwise than an attempt to freeze division.

It is entirely due to the U.S. government authorities that the division of Korea is dragging on indefinitely and her reunification has not yet been realized. For peace and peaceful reunification of Korea, therefore, all interfering machinations of the United States must be brought to an end and the U.S. troops must get out of south Korea.

No disturbance would occur even if the U.S. troops pull out of south Korea.

If only the U.S. troops get out of south Korea, the south Korean people will choose their way of life as they please and the Korean people will be able to smoothly realise the peaceful reunification of the country as they want.

All the Korean people aspire after reunification and no force can divide our nation into two by force.

We consider that the following points must be included in a peace agreement with the United States for removing the military confrontation between the north and the south, achieving a lasting peace in our country and creating prerequisites for the independent and peaceful reunification of the country:

Firstly, both sides shall pledge themselves to each other not to invade the other side and shall remove all the danger of direct armed conflict; the United States shall be obliged not to instigate the south Korean authorities to the war provocation manoeuvres and fascist repression of the south Korean people or patronize them, not to obstruct the north and the south of Korea in reunifying the country independently and peacefully in accordance with the north-south joint statement and not to interfere in any form in the internal affairs of Korea;

Secondly, the two sides shall discontinue arms reinforcement and arms race and stop introducing any weapons, combat equipment and war supplies into Korea;

Thirdly, the berets of the "United Nations forces" shall be taken off the foreign troops stationed in south Korea and they all be withdrawn at the earliest possible date along with all their weapons;

Fourthly, Korea shall not be made a military base or operational base of any foreign country after the withdrawal of all foreign troops from south Korea.

If a peace agreement containing these points is concluded between our Republic and the United States of America and the existing Military Armistice Agreement is replaced with it, the basic factor fraught with the danger of a new war in our country will be eradicated, the military confrontation be removed and the tension between the north and the south be practically eased.

This will mark an epochal milestone in bringing to an end the United States' interference in the internal affairs of our country and solving the national reunification question between the Koreans in a peaceful way.

To sign a peace agreement between us and the United States and replace the Korean Armistice Agreement with it will be an important measure in creating favourable conditions for the attainment of a durable peace in Korea and the independent and peaceful solution of the Korean question and, furthermore, will make a great contribution to guaranteeing peace and security in Asia and the rest of the world. This fully conforms with the interests of the American people, too.

We formally propose to the United States of America to discuss the question of replacing the existing Military Armistice Agreement with a peace agreement.

We consider that Panmunjom where the contacts between the two sides take place now is proper for the venue to discuss the question and a third country will also do, if the two sides agree.

In light of the importance of the question to be solved, it is advisable to form the delegations of the two sides to participate in the discussion of the question with delegates of a rank higher than those of the Korean Military Armistice Commission.

If the present authorities of the United States truly want peace in Korea and the peaceful solution of the Korean question, not in empty talk, they should accept our realistic proposal for replacing the Korean Armistice Agreement with a peace agreement and come out to the discussion of the question with sincerity.

We consider that this is an unavoidable duty the United States assumed before the Korean people and the world people in the Korean Armistice Agreement in the name of the "United Nations."

It is an invariable policy of our Party and the Government of the Republic to reject all manner of interference of outside forces in our internal affairs and settle the domestic issue of our nation by the efforts of the Korean people themselves with the right to national self-determination and in a peaceful way through negotiation and collaboration between the north and the south, not by confrontation and war.

We firmly believe that all the peace-loving countries and peoples of the world who have always actively supported the endeavours of our Party and the Government of the Republic for the independent and peaceful reunification of the country will positively support and encourage with might and main the above proposal of the Government of the Republic.

Comrades Deputies,

Just is our people's national cause of the country's reunification and there is no more urgent and important task for us Korean people than to reunify the divided fatherland.

Today the internal and external situation is turning more favourable than ever before for the struggle of our people to realise the historic desire of national reunification.

Under such situation, if the entire Korean people, in the north and the south of the divided fatherland and at home and abroad, in firm unity, vigorously wage the sacred struggle for the independent and peaceful reunification of the country, they can well put an end to foreign interference in the internal affairs of south Korea, guarantee the peace of the country and successfully settle the domestic issue of our nation by the efforts of our Korean people themselves and accomplish without fail in our generation the cause of national reunification, the supreme task of the nation.

Let us all unite as firm as a rock around the respected and beloved leader Comrade Kim Il Sung, the sun of the nation and genius of revolution, and energetically hew the highway of the independent and peaceful reunification of the country, with the collective wisdom and united strength of the whole nation, tightly holding the destiny of the nation in our hands.

(Subtitles are ours—Ed.)

On Results of Fulfilment of State Budget for 1973 and State Budget for 1974 of DPRK

Report of Finance Minister Kim Gyong Ryon at 3rd Session of 5th SPA of DPRK (Gist)

PYONGYANG, Mar. 22 (KCNA)—Deputy Kim Gyong Ryon, Minister of Finance, made the report "On the Results of the Fulfilment of the State Budget for 1973 and the State Budget for 1974 of the Democratic People's Republic of Korea" at the third day meeting of the Third Session of the Fifth Supreme People's Assembly.

On Results of Fulfilment of State Budget for 1973

In the first part of the report "On the results of the Fulfilment of the State Budget for 1973" he said:

Under the wise guidance of the leader last year the entire working people of our country made a heroic exploit, increasing industrial output by 19 per cent.

As a result, our country's industrial output in 1973 increased 1.6 times over that in 1970. During this period it grew by 17 per cent on an annual average.

The high rate of our industrial development again eloquently proves the great truth of the leader's brilliant idea that if the masses' revolutionary enthusiasm is roused by properly doing political work and technology is improved unceasingly, the economy can be developed as quickly as we want, however great its scale.

As the socialist economic construction was carried out by the entire working people at a high speed last year, the state budget was fulfilled successfully.

Last year's state budgetary revenue was 8,599,310,000 *won* or 0.7 per cent more than the planned figures of 8,543,510,000 *won*. This is an increment of 15.7 per cent over the previous year.

The revenue from the socialist economy formed 98.1 per cent of the total state budgetary revenue while tax revenue from the population was merely 1.9 per cent.

The rapid augmentation of the state budgetary revenue enabled us not only to fully meet the tremendous financial requirements of the revolution and construction but also obtain an excess amounting to 285,400,000 *won* of revenue over expenditure, and this strengthened the foundations of the nation's independent finance still further.

Last year's state budgetary expenditure was 8,313,910,000 *won* or 97.3 per cent as compared with the envisaged figure. It was a 12.5 per cent increase over the previous year.

The Workers' Party of Korea and the Government of the Republic allotted a huge amount of funds to the rapid development of the national economy and, especially, invested funds, 1.3 times larger than in 1972, in capital construction.

Thus capital construction was carried out extensively in all branches of the national economy; as for the construction of productive establishments alone, more than 14,000 projects were completed and put into operation and many other construction projects were stepped up with success.

The respected and beloved leader Comrade Kim Il Sung has taught:

"The most important task facing us in the fulfilment of the three major tasks of the technical revolution last year was to concentrate efforts on the rural technical revolution to meet 1974, the significant tenth anniversary of the publication of the 'Theses on the Socialist Rural Question in Our Country'."

In accordance with the leader's teaching on concentrating fire on the rural technical revolution, our Party and the Government of the Republic energetically stepped up the rural construction last year by appropriating funds 1.5 times as much as in the previous year.

With the energetic stepping up of the rural technical revolution, last year the number of tractors for every 100 *chongbo* (one approximates one hectare) of cultivated land reached 2-2.5, and in the plain areas 3-4. Firm material foundations have been laid for applying more than one ton of chemical fertilizer per *chongbo* in terms of weight and over 200 kilogrammes in terms of ingredients.

Last year we made a great effort to further consolidate the country's heavy industry centres.

The State reconstructed and enlarged the existing coal and ore mines on a large scale and supplied them with various kinds of up-to-date mining equipment on the one hand, and, on the other, forcefully sped up the expansion of the Musan Mine and completed the construction of many ore-dressing plants including that at the Yongyu Mine. Large-scale iron ore mines were also set up in the western region and promising coal mines developed in different localities.

Last year the State not only completed the project of reconstructing and expanding blast-furnace No. 1 and the building of the reduced ball ore mill of the Hwanghae Iron Complex and created the oil refining industry in our country. It also extensively pushed forward the construction of many large-scale, modern heavy industry factories.

Last year also witnessed great progress in mechanization, semi-automation and automation of production processes.

Especially noteworthy is the fact that last year under the Party centre's guidance and care the Hwanghae Iron Complex, the Kangsong Steel Complex, the February 8 Cement Factory and many other factories established the system of directing production through industrial TV network and radio communication service and switched over to automation and telemechanics of production processes. This effected an epochal change in ensuring the prompt direction of production, augmenting production and liquidating toilsome and heat-affected work.

Powerfully supported by heavy industry, a big headway was also made in the production of consumer goods.

Last year the Party and the Government invested in this field a huge sum of money, 1.7 times over 1972.

Last year the output of fabrics considerably increased as against 1972: Vinalon fibre products—1.7 times, sweaters and jackets—1.5 times, leather shoes—1.8 times, processed meat—1.4 times and processed fruit—1.4 times.

Last year our fishermen, boundlessly true to the Party, caught fish 1.2 times more than in the previous year.

Last year the Workers' Party of Korea and the Government of the Republic directed great efforts to transport. As a result, the 88-km long railway project between Sinchon and Unryul and the electrification of the Chongjin-Rajin line were completed. Railway factories were expanded to increase the production of freight cars 1.4 times in one year.

While expediting economic construction to the maximum, last year the Workers' Party of Korea and the Government of the Republic directed due attention to the strengthening of the nation's defence capacities in keeping with the requirements of the situation and spent 15.4 per cent of the total amount of the state budgetary expenditure for national defence.

Saying that last year's spendings for social and cultural welfare were 12 per cent more than those in 1972, the reporter referred to the big successes gained in this field.

The reporter said:

We owe all these brilliant successes achieved last year in the general socialist construction of the country and in the fulfilment of the state budget to the wise and seasoned guidance of the great leader Comrade Kim Il Sung who, by embodying his immortal *Juche* idea in all realms of the revolution and construction, has converted our country into a mighty socialist state with a powerful independent national economy, laid the solid foundation of independent finance, unrolled the brilliant blueprint of the Six-Year Plan and unswervingly led our people to its successful fulfilment.

The reporter exposed the aggressive policy and war provocation manoeuvres of the U.S. imperialists, the Japanese militarists' renewed invasion and the nation-splitting machinations and military provocations of the south Korean puppet clique. He went on:

This year the south Korean fascist ruling clique have increased their military outlay more than 15 times compared with the year before they usurped power at the point of the bayonet. Pak Jung Hi has increased the "general spendings" to a great extent in the "budgetary expenditure" and allocated more than 80 per cent of the "budgetary expenditure" for stepping up fascist oppression and war preparations.

The taxes account for more than 84 per cent of the puppet clique's "budgetary revenue" for this year, 25 times the figures of 1960.

All this eloquently shows that this year's "budget" of the south Korean puppet clique is a "budget of repression" to suppress the people, a predatory "war budget" to speed up frantically war preparations by squeezing the people and a "budget of treachery" to keep the split of the nation and sell out the country.

Referring to the struggle of the south Korean people against fascism and for democracy, the reporter stressed: We will actively support the south Korean people's revolutionary struggle at any time with might and main.

Pointing to the question of national reunification, the reporter continued:

In his historic March 4 speech the leader clarified the principled position and attitude of our Party and the Government of our Republic with regard to the national reunification question and advanced once again the proposal to broaden the scope of the north-south negotiations.

The respected and beloved leader Comrade Kim Il Sung said:

"...We propose once again to convene a great national congress or a north-south political consultative conference participated in by the representatives of all political parties and public organisations and personages of all strata in the north and the south, apart from the existing North-South Coordination Commission. This is the only way for realizing the reunification of Korea."

The leader's proposal reflects the unanimous desire and aspiration of the whole nation for the reunification; it is the wisest save-the-nation measure which makes it possible to frustrate the nation-splitting manoeuvres of the splittists within and without and attain the cause of national reunification in accord with the will and demand of our people.

The south Korean authorities must honestly carry into practice the July 4 joint statement and accept without delay our five-point programme of national reunification and our proposal for convening a great national congress or a political consultative conference—the most realistic and fair measures for national salvation.

If the south Korean puppet clique continue to follow the road of national split and war, obstructing the realization of our reunification proposals, which reflect the unanimous will and desire of the entire Korean people, they will not be able to escape a stern judgement by the people but go to ruin as unpardonable traitors to the nation.

On State Budget for 1974

In the second part of the report "On the State Budget for 1974" the reporter said:

At the Eighth Plenary Meeting of the Fifth Central Committee of the Party, the respected and beloved leader Comrade Kim Il Sung wisely analyzed and assessed the present external and internal situation, put forward the ten major goals of economic construction to scale a higher peak of socialism by dashing forward at a faster speed after capturing all heights of the Six-Year Plan by the 30th birthday of the glorious Workers' Party of Korea and vigorously aroused our people to an all-out charge for the grand socialist construction.

The state budget for this year is a budget for grand construction, a budget for great upsurge, which reflects the heroic stamina of our working people who are vigorously advancing at "a new Chollima speed, a new Pyongyang speed" to put into effect the leader's great plan, upholding the banner of the three revolutions—ideological, technical and cultural.

The total amounts of the state budgetary revenue and expenditure for the 1974 are estimated at 9,801,210,000 *won* respectively.

This year the state budgetary revenue is expected to increase to 104 per cent as against last year, though the State bears an additional financial burden of 900 million *won* due to the abolition of all taxation and drastic cut of prices of manufactured goods.

Because the state budgetary revenue rapidly increases on a solid basis, this year the state budgetary expenditure will grow by 18 per cent compared with last year.

This year the state budgetary expenditure will be used mainly for the national economy, for capital construction in particular.

The respected and beloved leader Comrade Kim Il Sung taught in his New Year address for this year:

"This year we should direct the efforts of the whole Party and the whole State to capital construction and effect a great upsurge in construction.

"The key to the pre-schedule fulfilment of the Six-Year Plan in all branches of the national economy lies in successful capital construction this year. The Central Committee of the Party defined this year as a year of construction and decided to concentrate efforts on capital construction."

This year the Workers' Party of Korea and the Government of the Republic will increase investments in capital construction from the state budget 1.5 times as against last year, in order to carry out the policy of grand socialist construction put forward by the leader.

The sharp increase of investments in capital construction needed by grand socialist construction provides a reliable guarantee for fulfilling the Six-Year Plan ahead of schedule and laying the foundation for capturing the height of 12 million tons of steel, height of one million tons of non-ferrous metal, height of 100 million tons of coal, height of 50,000 million kwh of electric power, height of 20 million tons of cement, height of 5 million tons of machinery and equipment, height of 5 million tons of marine products, height of 5 million tons of chemical fertilizers, height of 100,000 *chongbo* of reclaimed tideland and height of 10 million tons of grain, which are the ten major goals of economic construction, we should attain in the years of the next perspective plan.

This year the Party and the Government will direct great efforts to the industrial front which is the leading sector of grand socialist construction and make 1.6 times as much investments as last year in this front to promote industrial construction greatly.

The reporter said that the state would make 1.6 times as much investments as last year in the mining industry, 2.5 times as much investments in the metallurgical industry and 1.9 times as much investments in the chemical and building-materials industries.

As a result, the reporter noted, production in these fields would show a rapid increase. In particular, the production of chemical fertilizers will grow 1.7 times, of which phosphatic fertilizer 2.8 times, he added.

Saying that the State would continue directing great efforts to the engineering industry, the reporter noted that the production of tractors would be increased 2.3 times and that of trucks 1.4 times in one year and extra-big machine tools, 100-ton lorries, 20,000-ton ships and other large-size machines be manufactured and the production of ordered equipment, various automation elements, gauges and instruments be sharply boosted.

The State will increase investments in light industry 1.5 times this year as against last year, he said, and continued:

This year the output of knitwear will grow 1.3 times, television sets 2.1 times, sewing machines 1.3 times, electric rice-cooking pots 1.9 times, candies 1.5 times, cakes 1.3 times, and edible oil 1.6 times.

Thanks to the enormous state assistance, material, technical and financial, the historic tasks of irrigation and electrification have been successfully carried out in the countryside in the last ten years since the leader propounded "Theses on the Socialist Rural Question in Our Country."

The financial support of the State rendered for the development of the rural economy and the improvement of the farmers' living standards in the past ten years amounts to as much as 4,051 million *won*.

The reporter went on:

The Workers' Party of Korea and the Government of the Republic will increase this year the budgetary expenditure in agriculture 1.7 times as much as last year.

This will enable us to carry out this year creditably the programme task of increasing the number of tractors serving the rural economy to 70,000-80,000 and raising to one ton or more the amount of chemical fertilizer to be applied per *chongbo* of the arable land.

This year the State will increase its investment in the field of transportation 1.4 times as compared with last year and greatly augment that in the fishery front.

The Workers' Party of Korea and the Government of the Republic will earmark 16 per cent of the total state budgetary expenditure for this year in national defence, continue to carry out thoroughly the self-defensive military line and further augment the defence power, so as to defend firmly the country and the people from aggression by the enemy.

Our national defence apability is literally of defensive nature. Our people do not want war, but they are not afraid of it. If the imperialists and their lackeys dare to attack us, we will destroy the aggressors to a man so that none of them may return home alive.

Our Party and the Government of the Republic will increase this year the expenditure for public and cultural welfare 16 per cent as against last year.

We will earmark a huge amount of state budgetary expenditure in the educational field, an increase of 14 per cent as compared with last year.

Thanks to the profound solicitude of the fatherly leader, a huge amount of educational aid fund and stipends worth 14,648,080,000 yen in Japanese currency had been sent on 52 installments by the end of last year for the democratic national education of children of Koreans in Japan. And this year enormous educational aid fund and stipends worth 3,700 million yen which is 2.1 times the figure of last year will be remitted, part of which has already been sent.

In order to meet the requirements of grand socialist construction this year the Party and the Government will direct deep attention to developing science, literature and arts and physical culture and sports and will increase markedly the expenditure of fund in these fields.

The Workers' Party of Korea and the Government of the Republic envisage a marked increase over last year in this year's state budgetary expenditure earmarked for the improvement of the people's livelihood.

The prices of manufactured goods were drastically reduced—by 30 per cent on an average and 50 per cent at the maximum—in our country from March 1 this year and the taxes will be abolished completely from April 1 by the law adopted at the current Supreme People's Assembly Session.

The sharp reduction of the prices of manufactured goods will give each household of our working people the benefit of 22 *won* on a monthly average and the abolition of all taxation will bring it the benefit of 6 *won*. This means that each household will receive the additional benefit of 28 *won* a month.

As a result, this year the real wages of the factory and office workers will grow 1.5 times and the real income of the farmers 1.6 times as against 1970.

This epochal measure is an expression of the warm fatherly love and deep care of the great leader Comrade Kim Il Sung for our people.

At a time when the world is swept by economic fluctuation and prices keep skyrocketing and taxes are on the steady increase in many countries, we took such people's measures as abolition of all taxes and steep reduction of the prices of manufactured goods, which require a colossal financial burden on the part of the State, while a vigorous battle for grand socialist construction is going on in our country. This is attributable to the fact that the respected and beloved leader Comrade Kim Il Sung established a superior socialist system under which the working masses are the masters of all things and everything serves them, built a powerful independent national economy and laid a sound basis for independent financing.

The Workers' Party of Korea and the Government of the Republic will appropriate 1.8 times as much funds as last year for extensive housing construction.

Along with this, as indicated by the Fifth Congress of the Party, we will quickly introduce water and bus services in the countryside and develop the clinics in rural *ri* into hospitals.

The reporter noted:

Indeed, our state budget is a truly popular one, because it most effectively serves the purpose of enabling the people to enjoy the profound solicitude of the fatherly leader who closely looks after their life in every facet and always concerns himself to make it more bountiful and cultured.

Ours is a budget in which the money the people themselves have earned is spent for their own good; it is a budget in which enormous additional benefits are granted to the working people annually without so much as collecting taxes from them; it is the best popular budget that helps towards the even and rapid improvement of the living standards of the workers and peasants. Our people are really happy as they enjoy an independent and creative life to their satisfaction, benefited by this budget, under the utmost care of the leader.

In conclusion the reporter stressed:

Let us all march ahead vigorously for the preschedule fulfilment of the Six-Year Plan, for the victory of the struggle for grand socialist construction and for the early realization of the cause of independent national reunification holding aloft the revolutionary banner of the ever-victorious *Juche* idea, rallied close around the respected and beloved leader Comrade Kim Il Sung.

Congratulatory Messages from Various Countries to Chongryun's 10th Congress

Printed here are selections from those congratulatory telegrams and letters the February 25 10th Congress of Chongryun (the General Association of Korean Residents in Japan) received from international organizations and progressive and democratic bodies of various countries. —Ed.

★ ★

P.L. Lakhanpal, Chairman of All India Janatantra Party And Editor-in-Chief of "EVENING VIEW" in Delhi

Respected Chairman Han Duk Su,

I have great pleasure in extending to you and through you all members and functionaries of Chongryun our heartiest greetings on the occasion of the 10th Congress of your great organization opening on February 25. I wish you all successes and am sure that your deliberations and the resultant line of action evolved in accord with the sagacious guidance given to you by Comrade President Kim Il Sung will greatly advance the cause of Korean reunification, lead on to further triumphs in your valiant struggle for securing democratic, national rights for the 700,000 Korean residents in Japan as also ensure ever greater support from broad sections of Japanese people belonging to all political parties for normalising relations with Democratic People's Republic of Korea and forcing the Japanese Gov't by their concerted efforts to abandon its wholly unjust and unwise policy of support to the fascist military regime in S. Korea. I am also sure that your deliberations and the line of action pursued thereafter will greatly encourage the people in S. Korea in securing restoration of democratic rights and liberties which have been so ruthlessly trampled underfoot by the most hated fascist regime in Seoul.

I convey to you all these greetings and best wishes not only on my behalf but also on behalf of the All India Democratic Party, the Indian Committee for Korean Unification and the Indian Committee for Palestine Liberation as also our newspaper "EVENING VIEW."

I recall with pleasure and gratitude, Comrade Chairman Han Duk Su, my last visit to Tokyo in June-July 1972 and my visit to your headquarters, Korean University in Japan, various schools run by Chongryun and the headquarters of traders' organizations and Choson Sinbo and the People's Korea. Last year I had occasion to visit the United States, Canada, Britain, Germany, Lebanon, Turkey, Iran and Karachi and I have great pleasure in informing you that wherever and whosoever I talked to have high praise for your organization for Comrade Kim Il Sung who undoubtedly is a new beacon for world socialist revolution and the just stand of the DPRK on the question of Korean reunification. Your organization is an organization without parallel anywhere in the world, both in respect of its ideological unity and its record of achievement. When I was in Tokyo last I had suggested launching of a world movement for the Korean reunification supporting the historic July 4 joint statement and during my visit to several countries last year I found general support for the idea. I am sure your organization can spearhead the launching of such a movement and millions including my humble self will be only too glad to make their humble contribution to this noble cause which will have world-wide beneficial results for forces of democracy, national liberation struggles and hasten the doom of world imperialism. I have no doubt that Korea will become one great unified nation under the leadership of Comrade Kim Il Sung before this decade is out. We extend our wholehearted support and assure you of our militant solidarity with your great organization in all its noble and valiant struggle.

Wishing your Congress all the success and hoping that I get an opportunity to renew my contacts with you and members and functionaries of Chongryun before the year is out.

Korean Friendship Associations in Nordic Countries

Dear friends,

The Korean friendship associations in the Nordic countries send their profound greetings of solidarity to the 10th Congress of Chongryun and wish the Congress success in its important work. We are convinced that this Congress will mark a new milestone in your brilliant struggle for the rights of the Korean residents in Japan, for the independent and peaceful reunification of the homeland, against U.S. imperialism and Japanese militarism in their attempts of splitting up the homogeneous Korean nation. Since the foundation of Chongryun under the wise leadership of the respected and beloved leader Marshal Kim Il Sung, you have upheld the great *Juche* thought, rallied the resident Koreans in Japan in the just struggle of your people and made consistent efforts for the supreme aspiration of the Koreans all round the world. We, friends of the Korean nation, fighting on the Nordic front against imperialism, express our firm and burning solidarity with you.

Chongryun *Manse* (hurrah)!

New Democratic Publications (Australia)

Dear Comrades,

Please express our warm and sincere greetings to the 10th Congress of the General Association of Korean Residents in Japan.

Chongryun's activity in defending the national and democratic rights of the 600,000 Korean residents in Japan is a great victory for the world's progressive forces.

Your support for the anti-imperialist fighters throughout the six continents is a militant expression of your democratic and peace-loving policies.

President Kim Il Sung has written:

"The imperialists leave no stone unturned to maintain their colonial rule and, with the approach of their doom, they become all the more desperate...."

Chongryun has wisely taken the teachings of President Kim Il Sung and has engaged in all struggles to defend the fatherland from the various machinations of the imperialists led by the U.S. imperialists.

May the future successes of Chongryun be as bright as the past ten glorious Congresses!

Full democratic and national rights to the 600,000 Korean residents in Japan!

Foreward to the reunification of the fatherland and the expulsion of the foreign troops from the south!

Down with the evil machinations of the U.S.-led-imperialists against the peace-loving peoples of the world!

Long live Comrade Kim Il Sung, great leader of the 50 million Korean people!

Long live the excellent work of the General Association of Korean Residents in Japan!

Long live the friendship between the Korean and Australian peoples!

General Council of People's Progressive Party of Guyana

The General Council of the People's Progressive Party of Guyana sends the warmest fraternal greetings of the 10th Congress to the General Association of Korean Residents in Japan. On this significant occasion we greet your members and the large Korean community residing in Japan. We congratulate you for the tireless activity of your organization on behalf of the noble goal of achieving the peaceful reunification of Korea.

The whole world can feel happiness at the tremendous achievements of the Korean people under the distinguished leadership of Marshal Kim Il Sung. But, more in particular, can those of you of Korean heritage now living outside your beloved homeland feel the greatest pride at the accomplishments of Korea since they has shed the bondage that once held down the Korean people.

We wish all success to your 10th Congress and trust that the decisions will carry forward, with greater activity and unity, to the goal you seek.

Long live the struggle against imperialism!

Long live international solidarity of the working people!

Editorial Board for Publication of President KIM IL SUNG's Works (Nepal)

Wishing great success to the 10th Congress of Chongryun, we express on behalf of the Editorial Board for Publication of President Kim Il Sung's Works our confidence that the Congress upholding the great leader's *Juche* idea will make greater efforts to safeguard national rights of Koreans in Japan and expedite the independent, peaceful reunification of Korea.

Second Islamic Summit Conference

Most sincere greetings and best wishes for successful deliberations at the 10th Congress, your organisation has done wonderful work in giving enthusiasm to your compatriots. We are solidly behind you in your demand for the democratic and national rights. We wish your country's reunification in 1974. We denounce fascist outrages of Pak Jung Hi clique. We condemn Tanaka's outburst in the Diet with cheek in identifying Japan's security with that of "ROK." The Second Islamic Summit will support people's right of self-determination. From the mighty Indus to Daedong-River, we will stand shoulder to shoulder.

Long live Marshal Kim Il Sung, the respected and beloved leader of the entire Korean people!

Long live Pakistan-Korea friendship!

Communist Party of Great Britain

Dear friends,

The Communist Party of Great Britain sends greetings to your 10th Congress which we are sure will be an important event in the lives of the resident Korean nationals in Japan who have made consistent efforts to preserve their democratic and national rights, including the right to carry on education in the Korean language, teach Korean residents the culture and history of their homeland, and make possible the travel of Koreans in Japan to Korea and other countries.

In sending you this message of solidarity we wish you all success in your future activity.

Swapo Youth League of Namibia

On behalf of the Swapo Youth League of Namibia and our entire fighting people, we send you our sincere and warm greetings and congratulation to the participations of the 10th Congress of the General Association of Korean Residents in Japan.

Our Youth League and our struggling people support your courageous efforts for the reunification of your great fatherland without foreign interference. We support your struggle as citizens of the Democratic People's Republic of Korea in Japan to have

Active Initiative of National Salvation for Consolidating Peace in Korea And Paving Way for Her Independent Reunification

Rodong Sinmun Editorial

PYONGYANG, Mar. 27 (KCNA)—Rodong Sinmun today carries an editorial supporting the discussion at the Third Session of the Fifth Supreme People's Assembly of the question of creating prerequisites for the removal of tension in Korea and promotion of the independent and peaceful reunification of the country.

The attitude of the United States towards our reasonable proposal on replacing the Korean Armistice Agreement with a peace agreement is a yardstick to verify whether it wants peace in Korea and her peaceful reunification or keeps pursuing the policies of aggression and war, the editorial says.

If the present authorities of the United States truly want peace in Korea and a peaceful settlement of the Korean question, they must accept without delay our realistic proposal on replacing the Korean Armistice Agreement with a peace agreement and approach the discussion of the question with sincerity, the editorial stresses. It goes on:

All the proposals put forward at the Third Session of the Fifth Supreme People's Assembly are an embodiment in the question of national reunification of the immortal *Juche* idea that one is responsible for one's own destiny and has the capacity for hewing out one's own destiny; they are an active initiative for putting a definite end to the interference by outside forces, accelerating the cause of national reunification on the principle of national self-determination and securing a durable peace in Korea and Asia.

It is now nearly two years since the north-south joint statement, the keynote of which is the three principles of national reunification—independence, peaceful reunification and great national unity—was made public thanks to our positive efforts. But the splitting manoeuvres of the domestic and foreign separatists have not come to an end. Owing to this, the north-south dialogue which was provided with so much efforts has been deadlocked and the relations between the north and the south are virtually returning to those before the announcement of the joint statement.

Under the prevailing situation, to make the U.S. imperialist aggressor troops withdraw from south Korea, discontinue the reinforcement of armed forces and armaments and remove the danger of armed conflicts between the north and the south is an urgent question and a prerequisite for converting the armistice in our country into a durable peace and achieving the independent and peaceful reunification of the country by the efforts of Koreans themselves without any outside interference.

The whole course of the north-south dialogue which has been dragging on up to this day shows that such urgent question will never be solved through consultations with the south Korean ruling quarters who persistently reject our proposal on concluding a peace agreement between the north and the south.

It proceeded from this urgent demand that the recent session of the Supreme People's Assembly raised the question of concluding a peace agreement with the United States, a signatory to the Korean Armistice Agreement, as a practical measure to provide prerequisites for the removal of tension in Korea and the promotion of the independent and peaceful reunification of the country.

The editorial goes on:

The Korean Armistice Agreement concluded in July 1953 is an agreement on military armistice in all respects and it cannot be a guarantee for a durable peace in Korea.

To replace the Armistice Agreement with a peace agreement in order to preserve a durable peace in Korea and open a favourable phase for national reunification has long been raised as a matured demand whose realisation brooked no further delay.

The great leader Comrade Kim Il Sung has said:

"In order to remove tension in Korea, it is necessary, first of all, to replace the Korean Armistice Agreement with a peace agreement between north and south."

From the first days of the country's division the respected and beloved leader Comrade Kim Il Sung advanced various reasonable proposals to remove tension created between the north and south as a result of the artificial territorial bisection and realise the country's peaceful reunification. Already in 1955 he proposed that all foreign troops be withdrawn from Korea and the north and the south declare internally and externally that they are bound to refrain from the use of armed force against the other side and solve the reunification question peacefully. In view of the demand of the situation obtaining in our country our Party and Government have proposed time and again to conclude a peace agreement between the north and the south and take a series of practical measures for the removal of tension in Korea.

But the south Korean ruling quarters have used the dialogue as a means of confrontation and the maintenance of status quo and ceaselessly aggravated tension in Korea, begging for the indefinite stationing of the U.S. imperialist aggressor troops in south Korea, introducing arms and equipment to increase the military power and speed up the "modernization" of the puppet army and intensifying military exercises and armed provocations against us along the Demarcation Line.

All this shows that the Pak Jung Hi clique have no intention at all to solve the urgent question of removing the tension and consolidating peace in Korea.

They have no capacity to settle this question.

It is ridiculous indeed for the south Korean ruling circles with bare hands to propose to us to conclude a "non-aggression pact," while leaving the U.S. imperialist aggressor troops to stay on in south Korea. This is not worth discussing.

Today it is of no use to discuss with the Pak Jung Hi clique the question of removing the state of military confrontation and concluding a peace agreement between the north and the south.

In order to replace the Korean Armistice Agreement with a peace agreement, it is imperative to settle the question between the parties concerned that have real power to guarantee it in practice. As for the United States, it keeps its army stationed in south Korea, has the supreme command of all the armed forces in south Korea and is a signatory to the Armistice Agreement. Reflecting this realistic demand is the recent proposal of the Supreme People's Assembly on concluding a peace agreement between the Democratic People's Republic of Korea and the United States.

In order that peace is maintained and consolidated in Korea and the cause of the country's reunification accelerated, U.S. imperialism must discontinue its interference in the internal affairs of Korea and withdraw its aggressor troops from south Korea. This is a prerequisite for peace in Korea and her peaceful reunification.

No disturbance will occur even if the U.S. troops withdraw from south Korea.

The respected and beloved leader Comrade Kim Il Sung has said:

"Some people allege that the U.S. troops are staying on in south Korea to protect it because we may 'invade the south.' This is a lie. We have declared time and again that we have no intention of 'invading the south'."

An argument about "southward invasion" is a fabrication of the U.S. imperialists and their stooges for justifying the U.S. imperialist aggressor troops' occupation of south Korea.

If the U.S. imperialist aggressor troops are withdrawn from south Korea and a permanent threat to peace in Korea is removed, peace in Korea will be maintained and consolidated, the south Korean people choose their way of life as they please and our people smoothly realise the country's peaceful reunification in accordance with their will.

Contrary to the allegation of those who do not want Korea's reunification, the conclusion of a peace agreement between us and the United States will provide a condition for the elimination of the cause of war, removal of the state of military confrontation between the north and the south and practical relaxation of tension. It will also be an epochal occasion in putting an end to the U.S. imperialists' interference in the internal affairs of Korea, smoothly implementing the north-south joint statement, improving and developing the relations between the north and the south on the principles of the joint statement and solving the question of the country's reunification by the efforts of the Koreans themselves and in a peaceful way. It will also make a positive contribution to ensuring peace and security in Asia and the rest of the world and will conform to the interests of the U.S. people, too.

The editorial stresses:

It is high time all the Koreans who love the fatherland and the nation turned out as one to the sacred struggle for the country's reunification, whether they be in the north or in the south, whether they be at home or abroad and irrespective of their political views and religious beliefs, political groupings and organisational affiliation.

Let us all actively pave the highway of reunification by pooling the wisdom and strength of the nation.

We are confident that all the peace-loving countries and peoples of the world will support in every way this proposal of ours on creating prerequisites for the removal of tension in Korea and promotion of the independent and peaceful reunification of the country.

N.-S. Coordination Commission Vice-Chairmen Meet at 5th Encounter

(Continued from page 1)

The vice-Chairman of our side said that we put forth the three principles of national reunification and initiated the publication of a joint statement with them as its keynote after Li Hu Rak, former "Director" of the south Korean "Central Intelligence Agency," at the beginning of the north-south dialogue, pledged himself to us not to serve the American and Japanese scoundrels as their running dog and sell the country to them. He conclusively proved by concrete facts that it is none other than us who have faithfully implemented the July 4 north-south joint statement made public on our initiative and made energetic efforts for its fulfilment and who advanced various just and reasonable proposals for accelerating the national reunification and have done everything possible to put them into practice.

He roundly exposed and denounced, citing concrete facts, the perfidious acts of the south Korean side, which is begging for the permanent stationing of the U.S. forces arguing that the U.S. imperialist aggressor forces are not outside forces and is ushering in even the forces of Japanese militarism on a larger scale in gross violation of the principle of independent reunification, which has rendered the tension between the north and the south more strained, inciting war hysteria in violation of the principle of peaceful reunification, and which is getting more frantic in the fascist suppression of the people and "anti-communist" din in violation of the principle of great national unity.

Pointing out that the splitting line of the south Korean side seeking only confrontation and division between the north and the south in contravention of the three principles of national reunification found most open manifestation in the so-called "June 23 statement," he branded it as a declaration of permanent division of the country in which the manufacture of "two Koreas" was made a "policy" and a de facto declaration of boycott of the dialogue.

The vice-Chairman of our side bitterly condemned the south Korean side which again raised a hue and cry over the so-called "communization" and "violent revolution" that have nothing to do with the purpose of the contact that day and let loose an absurd piffle intended to link the revolutionary struggle being waged in south Korea with us.

Making it clear that the revolutionary struggle of the south Korean people has its origin in the south Korean society itself, he declared:

The struggle against fascism and for democracy has been triggered off by the south Korean authorities' fascist dictatorship, the struggle against outside forces by their bringing in the outside forces and the struggle for reunification by their seeking division and opposing reunification.

He declared that if the south Korean side intends to hold dialogue with us and solve the question of reunification through it, it should give up such a plot as to deliberately worsen the north-south relations by bringing forward stupid topics and play a proper role in forcing the south Korean fascist clique to give up "anti-communism" and the din of suppression and unconditionally release the arrested revolutionaries and patriots.

When the south Korean side, the very criminal who infiltrated the spy ships deep into the territorial waters of our side in the West Sea, again brought forward this "incident" and repeated the stereotyped sophistry like a guilty party filing suit first, the vice-Chairman of our side refuted the south Korean side's absurd allegations by producing indisputable evidences and fully laid bare its crimes.

Lashing at the south Korean side for complaining of our recent new proposal for direct negotiations with the United States for the conclusion of a peace agreement, the vice-Chairman of our side declared: This new proposal of the Government of the Republic is a very opportune and just measure. It is not a matter to be argued about by the south Korean side obtrusively, he added.

The vice-Chairman of our side clearly stated:

The south Korean authorities have left everything of south Korean to the tender mercy of outside forces on an unlimited scale and consequently all spheres, political, military, economic and cultural, are under the control of the outside forces. It is not the south Korean authorities but the United States that has the pregrogative of the supreme command of the army in south Korea today. Under this situation, it is clear that we cannot but negotiate with the United States which has the real power, to find a solution to the question. He further declared: Our country and the United States are the two signatories to the Korean Armistice Agreement and they are the actual parties concerned. The question of replacing the Armistice Agreement with a peace agreement is a matter to be solved between the parties concerned.

The vice-Chairman of our side declared: The south Korean side had better give up its dastardly, perfidious and treacherous double-dealing trick. And if it has no intention to have the dialogue, it should declare to the world it would break it off. He sharply denounced the dark design of the south Korean side to perpetuate the national split.

It was decided at the contact that the next contact between the vice-Chairmen would take place on April 24. (KCNA)

U.S. 7th Fleet Sailor Tells about S. Korea

This article on south Korea was written by an American sailor for peaceful Korean unity. The American is an active-duty GI of the U.S. 7th Fleet...Ed.

South Korea, under the presidency of Pak Jung-hi, is one of the stronger backers of American foreign policy. President Nixon himself is undergoing a troubled era of his eight years in office. He realizes that America is losing its control over the economic and political conditions in various countries it controls throughout the world. Nixon realizes that his grip on Vietnam, Korea and other countries are becoming more independent of the U.S. His goal is to freeze the situation before it gets any worse. For example, Pak is a puppet of the U.S. Any move he makes is with permission of the U.S. But Pak has lost control of Korea and is not effective to the U.S. at this date.

1974 is the 13th year of Pak's control in South Korea. He is presently facing the worst crisis of his rule as is Nixon. Pak has lost trust and respect of the Korean people. He tends to lean heavily in favor of using the KCIA, Korean Army and the police to confront any difficulty he is faced with. His trust in the military is fading as he fired the general in charge of the army and also the head of the KCIA. Even when Pak spoke at the commencement ceremonies at University of Seoul in May of 1973 he was not given the respect that natives normally give to their leaders. Not one student stood up in respect or applauded when Pak had finished speaking.

South Korea has the tightest security system in the world beefed up over the years as Pak lost more and more respect from the South Koreans. At the present time, the South Korean army is manned by more than 700,000 troops. There are 20,000 full-time CIA working for Pak and 400,000 parttime CIA. To back up the CIA and the army are 200,000 police. South Korea has a population of 27,000,000 people; one-half are women and one-third are old people or children. This means that out of every 27 persons one of them is a spy or for every ten working person, one is an informant, spy, KCIA, or a member of the Korean Armed Forces. Children have been known to turn in their parents or brothers and sisters if they heard anything slightly suspicious against the Pak government.

South Korea is an agricultural country which, regardless of U.S. economic aid, is failing to produce a sizeable crop to feed its own people let alone export for badly needed capital. South Korea imports rice, its staple crop, from Japan, the U.S. and other allies. Koreans are forbidden to eat rice every third day. Even first class hotels such as the Seoul Hilton cannot serve rice to its paying customers. One million families are starving and more are without jobs. One-third of all the school-aged children are out in the streets begging for food, for an extra won, for clothing... One reads the advertisement section of the South Korean newspapers and sees adds from people trying to sell their eyes, their blood and any part of their body which might bring them money to buy food and clothing. Young girls, just thirteen and fourteen, are out in the streets and in the brothels selling their bodies for less than $20.00 a month. Korean women, who were famous for their chastity and virtue, have been reduced to the lowest and evilest profession in the world because they are hungry and there are no other jobs available. Pak himself has been heard to say that he would be happy if all women were prostitutes, including his wife. He seems to think wrongly that women are forever inferior.

Of a total labor force of 9,500,000 in 1967 about 55% were engaged in agriculture. The next largest occupational group was service industries which employed about 13 percent of the active population. Commerce employed agricultural more than 11 percent of the labor force. Some ten percent of the active population, or about 950,000 were employed in manufacturing. These figures take in only persons employed. Unemployment has been a chronic problem in South Korea since 1945. In 1968, for example, about 500,000 people or some 5 percent of the working population were reported as unemployed, but it is estimated that perhaps 25 percent of the work force are jobless or seriously underemployed. The problem is made still more serious by the explosive population growth.

South Korea also faces economic difficulties. Between one third and one half of the general budget is provided by the United States' economic aid. This is in addition to direct military assistance, largely in the form of equipment and logistic support, on a scale upward from $150 million every year since 1954. Despite such military aid, the government must give a large share of its budget to support its armed forces. Expenditures and revenues were balanced in the 1968 budget at $966 million. Defense was one quarter of the budget, investments and other economic activities were about 31% and government salaries were 13%. $125,580,000 was spent on government officials. The main source of revenues was taxes which supplies 70% of the government's income. Another important source of income is about $250 million worth of foreign grants from U.S. aid. South Korea's national debt, in the form of national defense and reconstruction bonds, is not large. But the country imports billions of dollars worth of raw material and machinery yearly, not having enough exports to create a balance of trade. As a result, the total national debt of South Korea in the last 28 years has come to a total of 500 billion dollars at the rate of 15 billion dollars a year. The majority of this debt is owed to the United States, a gullible country which keeps sending Pak money whenever he asks.

President Pak, better known as Park Chung Hee is well-known as a man of contradictions. Although a full-blood Korean, he served in the Japanese Imperial Army as a commander. It is said that he signed his name in blood to a statement swearing allegiance to the Japanese Emperor in order to gain entrance into the Japanese Imperial Academy. He fought against the Americans in World War II and helped to crush the Korean rebellion against the Japanese rule.

⁂

A tourist visiting south Korea in the Spring of 1974 would observe the strained environment surrounding the people in their daily lives. Army patrols rove the streets and highways stopping suspicious persons, checking identification, and arresting some. The native dare not to breathe a word or even think against Pak. On a highway between Inchon and Seoul one must go through numerous army checkpoints. I have seen the soldiers board the buses and drag off people without first questioning them. They are taken to jails to sit for weeks or months and suddenly released without knowing the cause for their arrest. The Koreans even fear talking to Americans for fear of being overheard by informers.

This article is written with the intent to inform people that revolution is imminent in South Korea. A study of past revolutions can be cited for examples. The facts presented in the article could be situations leading up to a revolution in any country. After a short visit to Seoul and Inchon last spring, I left Korea thinking that South Korea, under its present leadership, is set toward a course very dangerous and open to revolution. Only time will tell.

POWER TO KOREAN PEOPLE!

Traitor Pak Jung Hi's Indelible Crimes against Nation

"President" Okamoto—Pak Jung Hi (2)

1. Life of Traitor

(Continued from No. 681 issue)

3) Cat's-Paw Raised by United States

In May, 1946, Pak Jung Hi left Tangku Port, near Tientsin, China, for Inchon, near Seoul, aboard a U.S. landing craft chartered by the Chang Kai-shek clique of Taiwan. Pak Jung Hi, Lt. Okamoto of the defunct Japanese Imperial Army, had been himself in China. Until Japan's defeat, he worked round the clock for the "punitive operations" against the Korean and Chinese patriots in Milun county, Hwabuk Province, China.

The U.S. imperialists took Pak Jung Hi to south Korea and posted him in "an intelligence unit of the U.S. army there." He was placed under the command of Capt. Johnson, an intelligence officer.

Thereafter, Pak Jung Hi, while attending the "puppet army cadets' school" to get his promotion, sneaked himself into the democratic forces as an agent. The school was established for the purpose of training "cadres" in the colonial mercenaries.

After graduation, Pak Jung Hi set an example as a puppet officer by remaining loyal to the U.S. imperialists. Therefore, he was promoted already in February 1947 to a "staff officer of the general staff" of the puppet army, and later was given the post of "strategy instructor in the army cadets' school."

Those days, the political situation was extremely complex. Throughout south Korea, the patriotic people valiantly rose up in a massive struggle against a treacherous "separate election" of May 10, 1948 engineered by the U.S. and the Syngman Rhee puppet bandits and against "creation of a puppet government." Popular resistance was strong particularly in Cheju Island.

Alarmed over this resistance, the aggressors intended to dispatch the 16th regiment in Ryosu of the puppet army to Cheju. But, resolutely refusing the order, the patriotic soldiers turned their guns to the aggressors and lackeys, and not to the people. The soldiers immediately occupied the Ryosu and Sunchon areas and executed the pro-U.S. traitors. The military revolt was soon joined in by the soldiers of the fourth regiment in Kwangju and the sixth regiment in Masan.

While overtly running amuck to suppress the revolt as an "operation staff officer" in the headquarters of the puppet army in the Honam districts, Pak Jung Hi spied on revolutionary organisations in the army and patriotic armymen, disguising himself as a "patriot."

His information led to the arrest of over 70 patriotic officers. All of them were sentenced to life imprisonment or capital punishment in April, 1949.

In order to retain him as an agent, the U.S. imperialists spread a false rumour that Pak Jung Hi was a leader of the army revolt. Then, Pak Jung Hi was promoted to a "section chief of the intelligence department" of the puppet army headquarters, as he became a "retired officer."

Chae Byon Dok, "then chief of the general staff," reported to Robert, chief of the U.S. military advisor group in south Korea, as follows: "Without Pak Jung Hi, there would be no knowing the outcome of the Ryosu revolt. He is one of those who have rendered great services to the new-born Republic of Korea."

Moreover, according to eyewitnesses, in the Sodaemun and Mapo prisons, Seoul, alone, 650 army officers and more than 1,000 soldiers were detained as of October, 1949, on the basis of information provided by Pak Jung Hi.

But, these are merely a prelude to his acts of loyalty to his new masters, the U.S. imperialists.

4) From Agent to Puppet Ringleader

(Truth about the May 16, 1961 military coup)

In July, 1950, Pak Jung Hi wore again a puppet uniform which he had once doffed. Then, he became "first section chief of the intelligence department" of the puppet army headquarters. He got a quick promotion to "a commander of an intelligence unit," "chief of the general staff of a division" and then to "a commander of an artillery corps."

He took "command of the fifth division" in May 1954, and became "the chief of the general staff of the first army headquarters" in March, 1958. Soon after that, he was appointed as "commander of the sixth district army" and then "commander of the Pusan military base." Moreover, he was sent to Oklahoma State, the United States, for further training.

A serious political crisis developed in south Korea around the beginning of 1960's.

Between 1960 and 1961, puppet regimes changed three times. The Ho Jong "caretaker government" was installed after the April 19, 1960 Popular Uprising and the downfall of Syngman Rhee. It was replaced by the Chang Myon regime which in turn was shaken to its foundation by the vigorous and massive drive of the people for national reunification unfolded under the slogan: "Reunification is the only way to life!" People shouted, "Come to the south, let's go to the north and meet at Panmunjom!" demanding freedom, democracy and the right to live.

The U.S. imperialists aimed to bridge over the situation by replacing the Chang Myon regime with a military junta.

A plan to install a military regime had been seriously considered by the White House since 1958: Robert A. Scalapino, specialist on the Far Eastern affairs, proposed in the year to set up a military regime replacing Syngman Rhee; Senator Fulbright, Chairman of the U.S. Senate Foreign Relations Committee, wrote in the "CONRON" report of 1959 "We should take into consideration the change (of the Seoul government) by a military regime"; and Edwin O. Reischauer, then U.S. Ambassador to Japan under the Kennedy Administration, said in January, 1961, "The future successors of the ROK should be new, young armymen who have been trained in the crucible of the war."

The U.S. Central Intelligence Agency picked Pak Jung Hi as the right man from a large number of traitors to put into practice the U.S. plan for a "coup d'etat."

In south Korea, Richard Bissel, then deputy-director of the CIA, prepared the military coup with the Pak Jung Hi gangsters. In the Seoul area, long-experienced agent, then former chief of the south Korean branch of the CIA, and Carl, information bureau chief of the U.S. 8th army headquarters, personally directed the conspiracy.

Along with this, in case the Pak Jung Hi-led military coup scheme failed, the While House planned to stage another "coup plot," with Chong Il Kwon, present "chairman of the south Korean national assembly," and Song Yo Chan as its leaders.

At first, the "military take-over scheme" was scheduled for April, 1961 at the directive of the White House. So the Pak Jung Hi bandits set the date on April 19. But, this plan was postponed.

Then, there were much talk about the "April crisis" and the "May crisis." It was said that there had to be some military coup by the armed forces.

Military coup intrigues were openly prepared by Pak Jung Hi.

Nevertheless, the U.S. aggressors assured that there would be no incident so long as they were in south Korea, when Chang Myon asked them to take some measures to prevent a military coup. And when the puppet "defence ministry" proposed to remove the troops from the "ceasefire line" to the Seoul areas, to hold in check a military attempt, the aggressors opposed, saying, "it is impossible to weaken the defence forces along the ceasefire line."

THE PEOPLE'S KOREA Published every Wednesday by Choson Sinbo-sa. Office: 5, Tsukudo Hachiman-cho, Shinjuku-ku, Tokyo, Japan. Tel: (269)0131-5 Anyone is free to reproduce any articles or stories in The People's Korea. Price: 30 yen (10 cents)